

Message Text

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SUBJECT: EXPERIENCES OF M.W. KELLOGG CO. TECHNICIANS IN
SZECHUAN

SUMMARY. ACCORDING TO A M.W. KELLOGG COMPANY TECHNICIAN,
THE FIRST SIX MONTHS AT THE FIRM'S AMMONIA PLANT
PROJECT SITE AT NACHI, IN SZECHUAN, HAVE GONE WELL AND
CONSTRUCTION SO FAR IS GENERALLY ON SCHEDULE. THE CHINESE
ARE WORKING SLOWLY, HOWEVER, AND DELAYS MAY OCCUR WHICH
WILL MAKE IT IMPOSSIBLE FOR THEM TO MEET THEIR OWN PROJECTED
COMPLETION DATE OF JANUARY 1976. THE AMERICAN TECHNICIANS
AND THEIR WIVES HAVE BEEN WELL TREATED AND, DESPITE THE
ISLOATION, SEEM TO BE ENJOYING THE EXPERIENCE. END SUMMARY.

1. BEN SMITH, OF THE M.W. KELLOGG COMPANY, AND HIS WIFE
CALLED ON USLO JUNE 4, TO DISCUSS THEIR FIRST SIX MONTHS
IN NACHI, (105-22 E, 28-47 N) LUCHOU, SZECHUAN, WHERE
HE IS SITE MANAGER FOR HIS FIRM'S AMMONIA PLANT PROJECT.
THE SMITHS ARRIVED IN LUCHOU IN NOVEMBER 1974 AND WERE IN
PEKING AFTER SPENDING A WEEK OF THEIR FIRST LEAVE IN
HONG KONG. SMITH AND HIS COLLEAGUES ARE THE FIRST AMERICAN
TECHNICAL PERSONNEL TO ADVISE ON CONSTRUCTION OF A COMPLETE
PLANT IN THE PRC AND THE FIRST AMERICANS TO LIVE IN

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SZECHUAN IN OVER 20 YEARS. HE PROVIDED THE FOLLOWING

DESCRIPTION OF THEIR LIVING SITUATION AND WORK EXPERIENCES.

2. ACCORDING TO SMITH THERE ARE NOW 5 AMERICAN TECHNICIANS AND THREE WIVES AT THE SITE WITH SIX DUTCH ENGINEERS FROM THE KELLOGG CONTINENTAL COMPANY WHO ARE OVERSEEING INSTALLATION OF A COMPANION UREA PLANT. THE AMERICANS AND DUTCH ARE HOUSED SEPARATELY IN ADJOINING GUEST HOUSES, BUT HAVE COMMON DINING FACILITIES AND RECREATION ROOMS. THE SMITHS DESCRIBED THEIR ACCOMMODATIONS AS A BIT "BARE", BUT CLEAN AND COMFORTABLE. THEY SAID THE CHINESE HAVE BEEN EXTREMELY CORDIAL, AND HAVE PROVIDED A 72-YEAR OLD COOK FROM SHANGHAI WHO PREPARES EXCELLENT WESTERN FOOD. THE GROUP HAS IN GENERAL BEEN HEALTHY, AND THE CHINESE TREATMENT OF SMITH'S PNEUMONIA, THE ONLY SERIOUS ILLNESS, WAS CAREFUL AND EFFECTIVE. RELATIONS BETWEEN THE AMERICAN, DUTCH, AND CHINESE HAVE BEEN GOOD, THEY SAID, WITH ONLY THE NORMAL FRUSTRATIONS EXPECTED BETWEEN PEOPLE LIVING IN CLOSE QUARTERS.

3. ALTHOUGH THEIR ACTIVITIES HAD BEEN RESTRICTED FOR THE LAST FEW MONTHS BY RAINY WEATHER, MRS. SMITH SAID ADEQUATE TRANSPORTATION WAS ALWAYS AVAILABLE AND THE WIVES MADE FREQUENT SHOPPING TRIPS INTO THE NEARBY TOWNS OF NACHI AND LUCHOU. THREE ENGLISH LANGUAGE INTERPRETERS LIVE WITH THE FOREIGNERS AT THE GUEST HOUSE AND ARE ALWAYS AVAILABLE TO ANSWER QUESTIONS AND LEAD EXCURSIONS, SHE SAID. IN THEIR OUTINGS THE FOREIGNERS ARE RESTRICTED TO THE TOWN LIMITS, THE AREA AROUND THEIR RESIDENCE AND THE WORK SITE, AND TO THE ROAD TO LUCHOU. THE CHINESE HAVE, HOWEVER, ARRANGED PICNICS AND VISITS TO OTHER AREAS AND INVITED THEM TO CULTURAL PERFORMANCES.

4. IN MOST RESPECTS, SMITH SAID INSTALLATION IS GENERALLY ON SCHEDULE BUT HE FEARS DELAYS MAY DEVELOP IN FABRICATING AND INSTALLING THE LARGE AMOUNT OF PIPE USED IN THE PLANT. HE SAID THE CHINESE WORK SLOWLY, TAKE THREE HALF-HOUR REST BREAKS DURING THEIR EIGHT HOUR WORK DAY, AND SPEND THREE AFTERNOONS PER 6-DAY WORK WEEK ATTENDING POLITICAL STUDY SESSIONS. WHEREAS ABOUT 300 WORKERS WOULD BE REQUIRED FOR A SIMILAR PROJECT IN THE U.S., SMITH LIMITED OFFICIAL USE

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ESTIMATES THAT 900 CHINESE, MOSTLY UNSKILLED LABORERS, HAVE BEEN ASSIGNED TO THE SITE, BUT ONLY ABOUT 100 SEEMED TO BE BUSY AT ANY ONE TIME. HE SAID THE CHINESE EXPECT TO COMPLETE THE PLANT BY JANUARY 1976, BUT THE AMERICANS BELIEVE IT WILL TAKE LONGER.

5. ON PROFESSIONAL MATTERS SMITH WORKS THROUGH FOUR "RESPONSIBLE PERSONS" WHO REPRESENT THE "LUCHOU NATURAL

GAS AMMONIA COMPANY." NONE OF THE FOUR SEEMS TO HAVE OVERALL RESPONSIBILITY, HE SAID, AND MANY WORK DECISIONS ARE MADE BY DISCUSSIONS AMONG THE WORKERS. THE KELLOGG TECHNICIANS ARE PRESENT AT THE SITE EVERY DAY, BUT ARE ONLY ABLE TO OFFER "SUGGESTIONS" WHICH MAY BE DISREGARDED BY THE WORKERS. STU SMITH SAYS LIKE TO DO THINGS THEIR OWN WAY, EVEN THOUGH IT MAY TAKE LONGER. HE SAID THE AMERICANS HAVE FOUND THIS THE MOST FRUSTRATING ASPECT OF THEIR WORK.

6. ALTHOUGH THERE HAVE BEEN NO MAJOR DISPUTES TO DATE, SMITH SAID AN UNUSUAL AMOUNT OF EQUIPMENT HAS ARRIVED DAMAGED AFTER THE LONG TRIP BY RIVER FROM SHANGHAI. IN EVERY CASE THE CHINESE HAVE PLACED THE BLAME ON KELLOGG AND HE EXPECTS SOME TOUGH NEGOTIATIONS MAY BE REQUIRED TO RESOLVE POSSIBLE CLAIMS. IN THE MOST UNUSUAL CASE, THE CHINESE COMPLAINED WHEN INSECTS WERE DISCOVERED IN THE PACKING OF THE FIRST EQUIPMENT DELIVERED. SMITH SAID THE CHINESE APPEARED TO HAVE BEEN REASSURED, HOWEVER, BY KELLOGG FINDINGS THAT THE INSECTS ARE HARMLESS TO PLANTS AND EASILY DESTROYED BY COMMON INSECTICIDES.

7. THE SMITHS SAID THE FIRST SIX MONTHS HAD GONE REASONABLY WELL AND THEY WERE ENJOYING THE EXPERIENCE WHICH THEY COMPARED FAVORABLY TO AN EARLIER ASSIGNMENT IN INDIA. BUSH

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